6501760/2022/PROG-I-INC01

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries and Commerce Department – Realignment of various Corporations with Commissionerate of Industries as nodal point for convergence and to foster MSME growth in the State – Orders - Issued.

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INDUSTRIES AND COMMERCE (PROG-I) DEPARTMENT

G.O.Ms.No.72 Date:17/10/2022

ORDER:

Andhra Pradesh has one of most vibrant and dynamic MSME sector with 33.87 Lakh MSMEs in the State, accounting for 5-7% of Country's MSMEs and generating employment to 56.20 lakh people in the State. 30.14% Enterprises accounts for Manufacturing, 27.00% Enterprises accounts for trade and 42.85% pertains to other services as per NSS 73 round.

2. The sector has multi-faceted impact on the economy of the State, as well as employment generation in the State. It is therefore, felt that a strong ecosystem with all support services under one umbrella is required in order to cope up with challenges and opportunities in domestic and global markets.

3. The Commissioner of Industries with a mandate to promote industries in the State with a special focus on the development of MSMEs, has been providing various services during pre-Investment, Investment and Post-investment period through online single desk portal under Ease of Doing Business, besides building strategies for growth of industrial sector, extending incentives, and implementation various schemes such as PMEGP, MSE CDP etc with the help of field functionaries working at the District Level across 26 Districts.

4. However, to mitigate the risk associated with MSMEs due to their vulnerability, it is urgently required to build a robust eco-system to nurture & support aspiring entrepreneurs, to create Flatted Factories, exclusive MSME parks with plug and play facilities, to allow existing units to operate at full capacity, to scale up in order to benefit from economies of scale, and to provide support to market their products both locally and internationally.

5. In order to give more emphasis to MSME sector, it is proposed to bring all relevant Corporations and Agencies working for MSMEs with the Commissionerate of Industries, as nodal point, for making concerted and coordinated effort to unlock its potential and effectively address its issues.

6. Government after careful examination of the matter hereby realign the functions of various corporations such as AP Industrial Development Corporation (APIDC), AP Trade Promotion Corporation (APTPC), AP MSME Development Corporation (APMSMEDC), Infrastructure Corporation of Andhra Pradesh Ltd (INCAP) and bring convergence for holistic development of the MSME sector, duly making use of the grass root level functionaries, as detailed below.

(P.T.O)

7. The Commissionerate of Industries would be the overarching agency in charge of promoting and developing MSMEs in the State with the support of the following agencies and also the grass root level functionaries in the Districts:-

**I. AP INDUSTRIAL DEVELOPMENT CORPORATION (APIDC)**

APIDC shall coordinate with General Manager, District Industries Centres in discharging its functions.

1. Encouraging the establishment of new MSMEs by promoting entrepreneurship with a focus on women, scheduled castes, scheduled tribes, Minorities and backward classes in particular.
2. To engage with industry and academia to promote entrepreneurship
3. Facilitate creation and updation of a shelf of model project profiles especially for Micro and Small enterprises and support in preparation of feasibility report to get credit.
4. Encouraging MSMEs to access finance including equity from Banks and AP State Finance Corporation (APSFC) duly dovetailing CGTMSE
5. All the existing and relevant schemes of SIDBI should be leveraged better to provide the last mile finance support to MSMEs.
6. Providing essential skill sets in association with APSDC.
7. To support emerging businesses in Andhra Pradesh, encourage the development of cutting-edge technology, and establish a venture capital fund to promote start-ups.
8. Planning networking activities such as conventions, conferences, buyerseller meets and exhibitions if they are considered important for the growth of MSME Sector.
9. Partnering with relevant national and international MSME organizations /Associations to make necessary partnerships and tie-ups to create robust eco-system to promote a Globally competitive MSMEs.
10. Any other activity, as instructed by Government of Andhra Pradesh or otherwise, as deemed appropriate for the development of MSME Sector.

**II. AP MSME DEVELOPMENT CORPORATION (APMSMEDC)**

MSMEDC shall coordinate with General Manager, District Industries Centres in discharging its functions.

1. Handholding the investors, throughout the life cycle of the unit.
2. Creation/development of MSME parks with plug and play facilities, Flatted Factory Complexes and common facilities as required.
3. Nodal agency for implementation of MSE-CDP programmes and SFURTI.
4. Facilitating the regulatory compliance of the MSMEs including Taxation, Legal, Labour, Land requirements etc.
5. Nursing sick/stressed MSMEs and instituting measures to detect early sickness for revival.
6. To facilitate MSMEs for payment of bills through Bill Discounting through various approved platforms.
7. Preparation of District wise potential survey reports in coordination with DICs.

(Contd..3)

6501760/2022/PROG-I-INC01



**INCAP (Infrastructure Corporation of AP)** will assist MSMEDC in carrying out the following activities:

1. DPRs Preparation for MSE-CDP scheme.
2. Preparing estimates and Calling Tenders.
3. Execution of Civil/Engineering Works for MSME Parks & Flatted Factories.

**III. AP TRADE PROMOTION CORPORATION (APTPC)**

1. Supporting the business development of MSMEs through marketing support, E-Commerce, Quality Certification
2. It will act as a Single Point contact for the promotion of Exports from MSME sector.
3. Nodal Agency for supply of Cement under YSR Nirman.
4. Maintenance of Trade Portal for MSMEs.
5. Empanel Marketing agencies to assist with digital marketing campaigns (paid/unpaid) depending on the exporter's requirement in the target market destination.

( BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH )

**R. KARIKAL VALAVEN**
**SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP**

To
The Director of Industries, APIIC Towers, Mangalagiri.
The VC& MD, AP Industrial Development Corporation, Hyderabad.
The CEO, AP MSME Development Corporation, Vijayawada.
The VC & MD, INCAP, Vijayawada
The VC&MD, AP Trade Promotion Corporation, Vijayawada
Copy to:
The VC&MD, APIIC, Mangalagiri.
The E.A to Chief Secretary to Government, AP Secretariat.
The PS to Spl.CS to Government &CIP.
Sf/Sc.

//FORWARDED:: BY ORDER//

B. Radhar
SECTION OFFICER